

110TH CONGRESS
2D SESSION

H. R. 6410

To provide for the elimination of agencies and programs which receive ineffective ratings or three consecutive adequate ratings under the Government Performance and Results Act of 1993 and to amend the Internal Revenue Code of 1986 to rebate the savings from such eliminations to the taxpayers.

IN THE HOUSE OF REPRESENTATIVES

JUNE 26, 2008

Mr. McCOTTER introduced the following bill; which was referred to the Committee on Oversight and Government Reform, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide for the elimination of agencies and programs which receive ineffective ratings or three consecutive adequate ratings under the Government Performance and Results Act of 1993 and to amend the Internal Revenue Code of 1986 to rebate the savings from such eliminations to the taxpayers.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Stop Legislative Auto-
3 matic Spending Hikes (SLASH) Act of 2008”.

4 **TITLE I—ELIMINATION OF INEF-**
5 **EFFECTIVE AGENCIES AND PRO-**
6 **GRAMS**

7 **SEC. 101. ANNUAL LIST OF AFFECTED AGENCIES AND PRO-**
8 **GRAMS.**

9 Before October 1 of each calendar year, the Director
10 of the Office of Management and Budget shall transmit
11 to Congress a report containing a list comprised of all
12 agencies and programs that received ineffective ratings
13 under the most recent program assessment rating tool
14 pursuant to the Government Performance and Results Act
15 of 1993 (Public Law 103–62; 107 Stat. 285) or three con-
16 secutive annual adequate ratings under that program as-
17 sessment rating tool and the preceding two program as-
18 sessment rating tools.

19 **SEC. 102. TERMINATION OF CERTAIN AGENCIES AND PRO-**
20 **GRAMS.**

21 Sixty calendar days after the date upon which the Di-
22 rector of the Office of Management and Budget transmits
23 a report to Congress under section 1, all agencies and pro-
24 grams named on such list shall terminate unless, before
25 the end of such 60-day period, a statute has been enacted

1 into law stating that all such agencies and programs shall
2 not terminate.

3 **SEC. 103. TRANSITION PROVISIONS.**

4 Whenever any agency or program is terminated under
5 this Act, all orders, grants, contracts, and other deter-
6 minations or actions of that agency or program that are
7 effective as of the date before the date of such termination,
8 shall be transferred by the Director of the Office of Man-
9 agement and Budget to an appropriate agency and shall
10 continue in effect according to their terms unless changed
11 pursuant to law.

12 **SEC. 104. ESTIMATION OF SAVINGS.**

13 The Director of the Office of Management and Budg-
14 et shall annually estimate the dollar amount of savings
15 to the Government from the operation of this title for each
16 calendar year and shall annually report such dollar
17 amount to the Secretary of the Treasury.

18 **TITLE II—REBATES TO**
19 **TAXPAYERS**

20 **SEC. 201. REBATE OF SAVINGS TO TAXPAYERS.**

21 (a) IN GENERAL.—Subchapter B of chapter 65 of the
22 Internal Revenue Code of 1986 is amended by adding at
23 the end the following new section:

1 **“SEC. 6431. PROGRAM ELIMINATION REBATES.**

2 “(a) IN GENERAL.—In the case of an eligible tax-
3 payer, there shall be allowed as a credit against the tax
4 imposed by subtitle A for the first taxable year beginning
5 in any calendar year an amount equal to the program
6 elimination rebate amount determined by the Secretary for
7 such calendar year.

8 “(b) PROGRAM ELIMINATION REBATE AMOUNT.—
9 For purposes of this section, the term ‘program elimi-
10 nation rebate amount’ means, with respect to any calendar
11 year, the amount that the Secretary estimates will result
12 in a reduction in revenue to the Government equal to the
13 dollar amount of estimated savings reported to the Sec-
14 retary by the Director of the Office of Management and
15 Budget under section 104 of the Stop Legislative Auto-
16 matic Spending Hikes (SLASH) Act of 2008 for the pre-
17 ceding calendar year.

18 “(c) ELIGIBLE TAXPAYER.—For purposes of this sec-
19 tion,

20 “(1) IN GENERAL.—The term ‘eligible taxpayer’
21 means any eligible individual if such taxpayer—

22 “(A) has qualifying income of at least
23 \$3,000, or

24 “(B) has—

25 “(i) net income tax liability which is
26 greater than zero, and

1 “(ii) gross income which is greater
2 than the sum of the basic standard deduc-
3 tion plus the exemption amount (twice the
4 exemption amount in the case of a joint re-
5 turn).

6 “(2) ELIGIBLE INDIVIDUAL.—The term ‘eligible
7 individual’ means any individual other than—

8 “(A) any nonresident alien individual,

9 “(B) any individual with respect to whom
10 a deduction under section 151 is allowable to
11 another taxpayer for a taxable year beginning
12 in the calendar year in which the individual’s
13 taxable year begins, and

14 “(C) an estate or trust.

15 “(3) QUALIFYING INCOME.—The term ‘quali-
16 fying income’ means—

17 “(A) earned income,

18 “(B) Social Security benefits (within the
19 meaning of section 86(d)), and

20 “(C) any compensation or pension received
21 under chapter 11, chapter 13, or chapter 15 of
22 title 38, United States Code.

23 “(4) NET INCOME TAX LIABILITY.—The term
24 ‘net income tax liability’ means the excess of—

1 “(A) the sum of the taxpayer’s regular tax
2 liability (within the meaning of section 26(b))
3 and the tax imposed by section 55 for the tax-
4 able year, over

5 “(B) the credits allowed by part IV (other
6 than section 24 and subpart C thereof) of sub-
7 chapter A of chapter 1.

8 “(d) TREATMENT OF CREDIT.—The credit allowed by
9 subsection (a) shall be treated as allowed by subpart C
10 of part IV of subchapter A of chapter 1.

11 “(e) COORDINATION WITH ADVANCE REFUNDS OF
12 CREDIT.—

13 “(1) IN GENERAL.—The amount of credit
14 which would (but for this paragraph) be allowable
15 under this section for any taxable year shall be re-
16 duced (but not below zero) by the aggregate refunds
17 and credits made or allowed to the taxpayer under
18 subsection (f) with respect to such amount for the
19 preceding taxable year. Any failure to so reduce the
20 credit shall be treated as arising out of a mathe-
21 matical or clerical error and assessed according to
22 section 6213(b)(1).

23 “(2) JOINT RETURNS.—In the case of a refund
24 or credit made or allowed under subsection (f) with
25 respect to a joint return, half of such refund or cred-

1 it shall be treated as having been made or allowed
2 to each individual filing such return.

3 “(f) ADVANCE REFUNDS AND CREDITS.—

4 “(1) IN GENERAL.—Each individual who was
5 an eligible individual for the taxable year preceding
6 any taxable year to which subsection (a) applies
7 shall be treated as having made a payment against
8 the tax imposed by chapter 1 for such preceding tax-
9 able year in an amount equal to the program elimi-
10 nation refund amount determined for the taxable
11 year to which subsection (a) applies.

12 “(2) TIMING OF PAYMENTS.—The Secretary
13 shall, subject to the provisions of this title, refund
14 or credit any overpayment attributable to this sub-
15 section as rapidly as possible. No refund or credit
16 shall be made or allowed under this subsection with
17 respect to any taxable year beginning in a calendar
18 year after December 31 of the following calendar
19 year.

20 “(3) NO INTEREST.—No interest shall be al-
21 lowed on any overpayment attributable to this sub-
22 section.

23 “(g) IDENTIFICATION NUMBER REQUIREMENT.—

24 “(1) IN GENERAL.—No credit shall be allowed
25 under subsection (a) to an eligible individual who

1 does not include on the return of tax for the taxable
 2 year—

3 “(A) such individual’s valid identification
 4 number, and

5 “(B) in the case of a joint return, the valid
 6 identification number of such individual’s
 7 spouse,

8 “(2) VALID IDENTIFICATION NUMBER.—For
 9 purposes of paragraph (1), the term ‘valid identifica-
 10 tion number’ means a Social Security number issued
 11 to an individual by the Social Security Administra-
 12 tion. Such term shall not include a TIN issued by
 13 the Internal Revenue Service.”.

14 (b) ADMINISTRATIVE PROVISIONS.—

15 (1) DEFINITION OF DEFICIENCY.—Section
 16 6211(b)(4)(A) of the Internal Revenue Code of 1986
 17 is amended by striking “and 6428” and inserting
 18 “6428 and 6431”.

19 (2) MATHEMATICAL OR CLERICAL ERROR AU-
 20 THORITY.—Section 6213(g)(2)(L) of such Code is
 21 amended by striking “or 6428” and inserting “6428,
 22 or 6431”.

23 (c) CONFORMING AMENDMENTS.—

1 (1) Paragraph (2) of section 1324(b) of title
2 31, United States Code, is amended by striking “or
3 6428” inserting “6428, or 6431”.

4 (2) The table of section for subchapter B of
5 chapter 65 of the Internal Revenue Code of 1986 is
6 amended by adding at the end the following new
7 item:

“Sec. 6431. Program elimination rebates.”.

8 (d) EFFECTIVE DATE.—The amendments made by
9 this section shall apply to taxable years beginning after
10 the date of the enactment of this Act.

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